persistent encouragement to the terrorist activity in Punjab at the highest level with the Pakistan Government;

(b) if so, what is the reaction of the Government of Pakistan thereto; and

(c) if not, the reasons therefor and when Government will do so?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) to (c) The issue has been raised with Pakistan on several occasions at various levels. The Government of Pakistan have, however, been denying the allegations. The Ministry of External Affairs presented another Aide-Memoire to the Government of Pakistan in this regard on 15th April, 1988.

Problems of Jute Industry

144. *KUMARI SUSHILA TIRIA:* Will the Minister of TEXTILES be pleased to state:

(a) whether the jute industry at present is faced with a number of problems;

(b) if so, whether Government have since identified the problem; and

(c) the remedial steps taken by Government thereon?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) and (b) The main problems faced by the Jute Industry are increasing competition from synthetic substitutes within the domestic as well as in the international markets, obsolete machinery and equipment, low productivity and managerial deficiencies.

(c) A statement is attached.

Statement

Some of the important measures taken for revival of the jute industry are:

(i) Setting up of Jute Modernisation Fund of Rs. 150 crores with effect from 1st November, 1986 for modernisation of jute mills.

(ii) Setting up of a Special Development of Rs. 100 crores for restructuring/re-opening/rehabilitation of jute industry as well as for development of jute agriculture.

(iii) Enactment of a legislation i.e. Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987 for mandatory usage of jute packaging material for certain sectors of the economy;

(iv) Waiver of Customs Duty on import of certain specified items of jute machinery and accessories with a view to encouraging modernisation programme of jute mills.

(v) Providing cash compensatory support for export of jute goods;

(vi) Purchase of jute goods for Government sector directly from jute mills at cost plus basis.

(vii) Operation of a buffer stock scheme of raw jute for bringing stability in raw jute prices.

India's balance of trade position

145. *SHRI KANHU CHARAN LENKA:* Will the Minister of COMMERCE be pleased to state:

(a) with how many countries we have a favourable balance of trade and which are these countries; and

(b) whether Government's Export policy for 1988—91 has received applause from all quarters?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) The countries with which we had a favourable balance of trade during the first 9 months of the fiscal year 1987-88 (April—December) as compared to April—December, 1986-87 include the following:—

U.S.A., U.S.S.R., Hong Kong, Poland, Iran, Sri Lanka, Nepal, Czechoslovakia, Bulgaria, Romania, Egypt, Arab Republic, Kenya, Mauritius, Nigeria,

Thailand, Uganda, Sudan, Canary Island, Yemen Arab Republic, Benin (Dehomy), Afghanistan, Greece, Ethiopia, Algeria, Yemen PD Republic, Syria, Yemen Republic, Cyprus, Liberia, Somalia, Bahamas, Fiji Island, Tunisia, Paraguay, Netherlands, Barbados, Mauritania and Polivia.

(b) The new Import-Export Policy for 1988—91 is reported to have been generally well received.

Felling of trees for paper/newsprint Production

146. SHRI KANHU CHARAN LENKA: Will the Minister of ENVIRONMENT AND FORESTS be pleased to state:

(a) how many trees have to be felled for making one tonne of paper/newsprint in our country; and

(b) whether there is any proposal to save our forest wealth without disturbing the manufacture of paper within the country?

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI Z. R. ANSARI): (a) It has been estimated that about 2.65 tonnes of air-dry forest raw material is required to produce one tonne of paper/newsprint in the country.

(b) Yes, Sir. The Central Government have given fiscal incentives in indirect taxes through concessional rates of excise duty on specified varieties of paper manufactured out of agricultural wastes and non-conventional raw-materials. The Government have also exempted wood pulp from import duty.

Appointment of heads of Nationalised Banks

147. SHRI KANHU CHARAN LENKA: Will the Minister of FINANCE be pleased to state:

(a) what is the number of heads of nationalised banks whose term has ended or is likely to end this year;

(b) what is the procedure for appointing Chairman|Managing Directors and Directors of nationalised banks; and

(c) what are the names of institutions|individuals authorised to make recommendations for Government's consideration in these cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) There are two Chief Executives of nationalised banks whose regular term of office has ended but who are continuing in office pending decision about their reappointment|appointment of their successor. In one bank the Chief Executive has recently retired and his successor is yet to be appointed. Terms of office of Chief Executives of six more nationalised banks are due to end before the end of the year.

(b) and (c) The Chairman and Managing Directors and other Directors on the Boards of the nationalised banks are appointed in accordance with the procedure and criteria laid down in the Nationalised Banks (Management and Miscellaneous Provisions) Schemes, 1970 and 1980. The aforesaid Schemes provide *inter alia* consultation with Reserve Bank of India in the matter of appointment of the Directors. Requests|representations|recommendations for appointment of Directors are received from various individuals|associations including professional bodies.

Recruitment of field Supervisors in Mithila Kshetriya Gramin Bank

148. SHRI SAMAR MUKHERJEE: Will the Minister of FINANCE be pleased to refer to the answer to Unstarred Question 2416 given in the Rajya Sabha on the 1st December, 1987 regarding promotion to the post of Field Supervisors in the Mithila Kshetriya Gramin Bank and state:

(a) whether NABARD had directed the Mithila Kshetriya Gramin Bank and its sponsoring bank, namely, Central